



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 18, 2007
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: November 2007 Investment Report

RECOMMENDATION:

That Council accept the November 2007 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of November 30, 2007.

ATTACHMENT: November 2007 Investment Report

SUBMITTED BY: Robert D. Peirson, Finance Director

APPROVED BY: City Administrator's Office

REVIEWED BY: _____ Finance _____ Attorney

Agenda Item No. _____

CITY OF SANTA BARBARA
Activity and Interest Report
November 30, 2007

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

11/01	LAIF Deposit/City	\$	1,000,000
11/13	LAIF Deposit/City		1,000,000
11/15	LAIF Deposit/City		3,000,000
11/16	LAIF Deposit/City		3,000,000
11/21	LAIF Deposit/City		2,500,000
11/26	LAIF Deposit/City		1,500,000
11/28	LAIF Deposit/City		1,000,000
	Total	\$	13,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

11/05	LAIF Withdrawal/City	\$	(1,000,000)
11/06	LAIF Withdrawal/City		(2,000,000)
11/08	LAIF Withdrawal/City		(2,000,000)
11/15	Federal Home Loan Bank (FHLB) Maturity		(1,000,000)
11/15	Federal Home Loan Bank (FHLB) Maturity		(2,000,000)
11/15	Federal Home Loan Bank (FHLB) Maturity		(2,000,000)
11/15	Federal National Mortgage Association (FNMA) Call		(1,000,000)
11/19	LAIF Withdrawal/City		(1,000,000)
11/20	LAIF Withdrawal/City		(2,000,000)
11/23	Federal Home Loan Bank (FHLB) Maturity		(1,000,000)
	Total	\$	(15,000,000)

ACTIVITY TOTAL	\$	(2,000,000)
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INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$	523,905
Amortization		38,625
SBB&T Sweep Account Interest		3,669
SBB&T Trust Account M/M Interest		1,428
Total	\$	567,628

RDA INVESTMENTS

Interest Earned on Investments (LAIF)	\$	64,336
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TOTAL INTEREST EARNED	\$	631,964
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CITY OF SANTA BARBARA
Summary of Cash and Investments
November 30, 2007

ENDING BALANCE AS OF OCTOBER 31, 2007

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 30,500,000	5.140%	19.98%	1
Certificates of Deposit	2,000,000	5.000%	1.31%	383
Treasury Securities - Coupon	3,960,590	4.752%	2.59%	517
Federal Agency Issues - Coupon	99,306,979	4.979%	65.06%	715
Corporate/Medium Term Notes	16,883,320	5.103%	11.02%	769
Totals and Averages	\$ 152,650,889	5.019%	100.00%	569
SBB&T Money Market Account	2,798,597			
Total Cash and Investments	\$ 155,449,485			

NET CASH AND INVESTMENT ACTIVITY FOR NOVEMBER 2007 **\$ 844,489**

ENDING BALANCE AS OF NOVEMBER 30, 2007

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 37,000,000	5.050%	24.31%	1 (1)
Certificates of Deposit	2,000,000	5.000%	1.31%	353
Treasury Securities - Coupon	3,963,059	4.752%	2.60%	487
Federal Agency Issues - Coupon	92,336,737	5.084%	60.67%	737
Corporate/Medium Term Notes	16,889,717	5.103%	11.10%	739
Totals and Averages	\$ 152,189,514	5.068%	100.00%	547
SBB&T Money Market Account	4,104,460			
Total Cash and Investments	\$ 156,293,974			

Note:

(1) The average life of the LAIF portfolio as of November 30, 2007 is 208 days .

CITY OF SANTA BARBARA
Investment Portfolio
November 30, 2007

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P	RATE	365	VALUE	VALUE	VALUE	GAIN/(LOSS)	
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	5.050	5.050	21,500,000.00	21,500,000.00	21,500,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	5.050	5.050	15,500,000.00	15,500,000.00	15,500,000.00	0.00	
Subtotal, LAIF							37,000,000.00	37,000,000.00	37,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/06	11/18/08	-	-	5.000	5.000	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	05/19/06	05/15/09	Aaa	AAA	4.875	5.000	2,000,000.00	1,996,657.05	2,051,410.00	54,752.95	
U S TREASURY NOTE	02/01/06	02/15/09	Aaa	AAA	3.000	4.501	2,000,000.00	1,966,402.03	1,998,130.00	31,727.97	
Subtotal, Treasury Securities							4,000,000.00	3,963,059.08	4,049,540.00	86,480.92	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	03/07/06	04/15/09	Aaa	AAA	4.125	5.000	2,000,000.00	1,977,968.84	2,008,130.00	30,161.16	
FEDERAL FARM CREDIT BANK	08/17/06	08/17/09	Aaa	AAA	5.125	5.150	2,000,000.00	1,999,212.89	2,046,560.00	47,347.11	
FEDERAL FARM CREDIT BANK	11/07/06	01/18/11	Aaa	AAA	5.750	5.000	2,000,000.00	2,041,753.45	2,121,560.00	79,806.55	
FEDERAL FARM CREDIT BANK	06/02/06	02/18/09	Aaa	AAA	5.260	5.280	2,000,000.00	1,999,605.98	2,031,250.00	31,644.02	
FEDERAL FARM CREDIT BANK	08/28/06	12/17/08	Aaa	AAA	3.700	5.170	2,000,000.00	1,971,344.17	1,993,130.00	21,785.83	
FEDERAL FARM CREDIT BANK	01/29/07	08/25/10	Aaa	AAA	4.750	5.111	2,000,000.00	1,982,110.48	2,054,370.00	72,259.52	
FEDERAL FARM CREDIT BANK	01/29/07	01/22/09	Aaa	AAA	5.010	5.150	2,000,000.00	1,996,979.47	2,022,810.00	25,830.53	
FEDERAL HOME LOAN BANK	10/25/06	02/12/10	Aaa	AAA	3.875	5.117	1,000,000.00	975,143.81	1,004,220.00	29,076.19	
FEDERAL HOME LOAN BANK	12/18/06	11/03/09	Aaa	AAA	3.500	4.834	2,000,000.00	1,952,596.33	1,992,190.00	39,593.67	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,015,405.56	2,098,440.00	83,034.44	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,924,491.36	2,017,190.00	92,698.64	
FEDERAL HOME LOAN BANK	07/09/07	03/12/10	Aaa	AAA	5.000	5.268	1,000,000.00	994,262.38	1,028,595.00	34,332.62	
FEDERAL HOME LOAN BANK	05/18/07	05/15/12	Aaa	AAA	5.500	5.523	2,000,000.00	1,999,081.23	2,014,070.00	14,988.77	Callable to maturity
FEDERAL HOME LOAN BANK	09/14/06	09/29/10	Aaa	AAA	5.125	5.070	1,000,000.00	1,001,315.35	1,037,185.00	35,869.65	
FEDERAL HOME LOAN BANK	12/18/06	04/21/08	Aaa	AAA	3.450	5.021	2,000,000.00	1,988,301.45	1,993,120.00	4,818.55	
FEDERAL HOME LOAN BANK	05/10/07	11/10/10	Aaa	AAA	5.125	5.125	2,000,000.00	2,000,000.00	2,018,750.00	18,750.00	Callable 11/10/2008 once
FEDERAL HOME LOAN BANK	05/21/07	06/12/09	Aaa	AAA	5.250	5.000	2,000,000.00	2,007,123.59	2,044,060.00	36,936.41	
FEDERAL HOME LOAN BANK	01/14/05	07/14/08	Aaa	AAA	4.000	4.000	1,000,000.00	1,000,000.00	997,345.00	(2,655.00)	Callable to maturity
FEDERAL HOME LOAN BANK	02/17/06	02/17/11	Aaa	AAA	5.020	5.020	2,000,000.00	2,000,000.00	2,025,630.00	25,630.00	Callable 2/17/2009 once
FEDERAL HOME LOAN BANK	04/28/06	04/28/10	Aaa	AAA	5.400	5.400	2,000,000.00	2,000,000.00	2,010,310.00	10,310.00	Callable 4/28/2008 once
FEDERAL HOME LOAN BANK	09/08/06	09/08/09	Aaa	AAA	5.250	5.250	1,000,000.00	1,000,000.00	1,009,535.00	9,535.00	Callable 9/08/2008 once
FEDERAL HOME LOAN BANK	10/27/05	10/27/08	Aaa	AAA	5.000	5.000	2,000,000.00	2,000,000.00	2,002,810.00	2,810.00	Callable to maturity
FEDERAL HOME LOAN BANK	03/24/06	09/23/08	Aaa	AAA	5.520	5.015	1,000,000.00	1,003,803.47	1,010,315.00	6,511.53	

CITY OF SANTA BARBARA
Investment Portfolio
November 30, 2007

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN BANK	06/02/06	12/12/08	Aaa	AAA	4.750	5.270	1,000,000.00	995,034.31	1,007,190.00	12,155.69	
FEDERAL HOME LOAN BANK	06/23/06	06/30/08	Aaa	AAA	3.000	5.500	2,000,000.00	1,972,873.12	1,983,440.00	10,566.88	
FEDERAL HOME LOAN BANK	08/18/06	08/18/10	Aaa	AAA	5.470	5.470	2,000,000.00	2,000,000.00	2,018,440.00	18,440.00	Callable 8/18/2008 once
FEDERAL HOME LOAN BANK	10/18/06	09/11/09	Aaa	AAA	5.250	5.060	1,000,000.00	1,003,012.85	1,026,410.00	23,397.15	
FEDERAL HOME LOAN BANK	11/07/06	10/26/09	Aaa	AAA	5.000	5.000	2,345,000.00	2,344,969.95	2,401,068.95	56,099.00	
FEDERAL HOME LOAN BANK	11/08/06	03/24/08	Aaa	AAA	3.150	5.140	2,000,000.00	1,988,071.21	1,992,500.00	4,428.79	
FEDERAL HOME LOAN BANK	11/08/06	07/30/10	Aaa	AAA	5.000	5.010	2,000,000.00	1,999,399.73	2,065,630.00	66,230.27	
FEDERAL HOME LOAN BANK	12/06/06	12/12/08	Aaa	AAA	5.000	4.700	2,000,000.00	2,005,723.42	2,019,380.00	13,656.58	
FEDERAL HOME LOAN BANK	12/18/06	06/22/10	Aaa	AAA	4.500	4.825	2,000,000.00	1,984,858.88	2,039,370.00	54,511.12	
FEDERAL HOME LOAN BANK	12/29/06	09/12/08	Aaa	AAA	5.000	5.000	2,000,000.00	1,999,926.66	2,010,940.00	11,013.34	
FEDERAL HOME LOAN BANK	05/21/07	05/15/09	Aaa	AAA	4.250	5.005	1,450,000.00	1,434,995.55	1,459,968.75	24,973.20	
FEDERAL HOME LOAN BANK	06/18/07	03/12/10	Aaa	AAA	4.875	5.382	2,000,000.00	1,978,640.65	2,051,870.00	73,229.35	
FEDERAL HOME LOAN MTG CORP	06/16/06	06/02/08	Aaa	AAA	4.350	5.370	2,000,000.00	1,990,375.72	1,998,100.00	7,724.28	
FEDERAL HOME LOAN MTG CORP	09/14/06	09/01/09	Aaa	AAA	4.125	5.070	1,000,000.00	984,807.97	1,006,660.00	21,852.03	
FEDERAL HOME LOAN MTG CORP	11/30/06	11/14/11	Aaa	AAA	5.350	5.250	2,000,000.00	2,004,170.57	2,026,840.00	22,669.43	Callable 11/14/2008 once
FEDERAL HOME LOAN MTG CORP	05/29/07	07/06/10	Aaa	AAA	4.500	5.070	2,000,000.00	1,972,828.92	2,038,540.00	65,711.08	
FEDERAL HOME LOAN MTG CORP	10/15/07	10/15/12	Aaa	AAA	5.050	5.050	2,000,000.00	2,000,000.00	2,043,700.00	43,700.00	Callable 10/15/2009 once
FEDERAL HOME LOAN MTG CORP	09/08/06	09/08/11	Aaa	AAA	5.500	5.500	1,000,000.00	1,000,000.00	1,011,860.00	11,860.00	Callable 9/08/2008 once
FEDERAL HOME LOAN MTG CORP	01/29/07	01/25/10	Aaa	AAA	4.375	5.122	2,000,000.00	1,970,564.98	2,027,660.00	57,095.02	
FEDERAL HOME LOAN MTG CORP	04/20/07	04/20/12	Aaa	AAA	5.250	5.250	2,000,000.00	2,000,000.00	2,037,920.00	37,920.00	Callable 4/20/2009 once
FEDERAL HOME LOAN MTG CORP	05/22/07	09/17/10	Aaa	AAA	3.880	5.015	2,000,000.00	1,942,131.85	2,008,520.00	66,388.15	
FEDERAL NATL MORTGAGE ASSN	02/25/05	02/25/08	Aaa	AAA	4.000	4.000	2,000,000.00	2,000,000.00	1,997,810.00	(2,190.00)	Callable to maturity
FEDERAL NATL MORTGAGE ASSN	01/18/06	01/18/11	Aaa	AAA	5.100	5.130	1,000,000.00	999,915.14	1,001,250.00	1,334.86	Callable 1/18/2008 once
FEDERAL NATL MORTGAGE ASSN	04/27/06	04/20/10	Aaa	AAA	4.750	5.270	2,000,000.00	1,977,856.62	2,048,130.00	70,273.38	
FEDERAL NATL MORTGAGE ASSN	12/29/06	12/28/09	Aaa	AAA	5.250	5.275	2,000,000.00	1,999,896.21	2,001,880.00	1,983.79	Callable 12/28/2007 once
FEDERAL NATL MORTGAGE ASSN	01/12/07	02/24/09	Aaa	AAA	3.740	5.000	2,000,000.00	1,970,861.99	1,996,250.00	25,388.01	
FEDERAL NATL MORTGAGE ASSN	04/17/07	03/06/09	Aaa	AAA	4.625	5.001	2,000,000.00	1,990,980.41	2,018,130.00	27,149.59	
FEDERAL NATL MORTGAGE ASSN	01/26/06	01/18/08	Aaa	AAA	3.800	4.655	2,000,000.00	1,997,889.62	1,998,760.00	870.38	
FEDERAL NATL MORTGAGE ASSN	05/21/07	11/03/08	Aaa	AAA	4.900	5.100	2,000,000.00	1,996,451.03	2,013,750.00	17,298.97	
Subtotal, Federal Agencies							92,795,000.00	92,336,737.17	93,933,542.70	1,596,805.53	
CORPORATE/MEDIUM TERM NOTES											
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aaa	AAA	6.125	5.100	2,000,000.00	2,058,849.07	2,110,780.00	51,930.93	
GENERAL ELECTRIC CAPITAL CORP	08/15/06	09/15/09	Aaa	AAA	4.625	5.300	2,000,000.00	1,977,941.55	2,009,760.00	31,818.45	
GENERAL ELECTRIC CAPITAL CORP	02/10/06	06/15/09	Aaa	AAA	4.000	5.000	1,000,000.00	985,966.10	998,330.00	12,363.90	
GENERAL ELECTRIC CAPITAL CORP	04/17/07	06/15/09	Aaa	AAA	3.250	5.060	2,000,000.00	1,947,790.13	1,974,660.00	26,869.87	
TOYOTA MOTOR CREDIT	02/28/06	12/15/08	Aaa	AAA	5.500	5.016	2,000,000.00	2,009,210.72	1,993,260.00	(15,950.72)	
TOYOTA MOTOR CREDIT	10/19/06	03/15/10	Aaa	AAA	4.250	5.140	2,000,000.00	1,962,993.93	1,987,960.00	24,966.07	

CITY OF SANTA BARBARA
Investment Portfolio
November 30, 2007

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
WELLS FARGO & CO.	02/13/06	08/15/08	Aa1	AA+	4.000	5.000	2,000,000.00	1,986,883.24	1,980,240.00	(6,643.24)	
WELLS FARGO & CO.	05/30/07	01/12/11	Aa1	AA+	4.875	5.260	2,000,000.00	1,978,320.45	2,025,340.00	47,019.55	
WELLS FARGO & CO.	10/10/06	08/09/10	Aa1	AA+	4.625	5.000	2,000,000.00	1,981,762.26	2,013,540.00	31,777.74	
Subtotal, Corporate Securities							17,000,000.00	16,889,717.45	17,093,870.00	204,152.55	
TOTALS							152,795,000.00	152,189,513.70	154,076,952.70	1,887,439.00	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.